

801.13
lease

July 13, 1989

BY HAND

Patrick J. Sharpe, Esq.
Pre-Merger Reporting Office
Federal Trade Commission
Sixth and Penn. Ave., N.W., Rm. 303
Washington, D.C. 20580

Dear Mr. Sharpe:

This is to confirm our conversation yesterday relating to two Hart-Scott-Rodino issues.

First, where a Hart-Scott-Rodino report has been filed by the parties to an asset transaction, an additional report need not be filed on a subsequent asset transaction between the same parties which is valued at less than \$15 million. 16 C.F.R. § 801.13(b); Statement of Basis and Purpose, 52 Fed. Reg. 7066, 7071-72 (March 6, 1987)

Second, the FTC views the assignment of a lease as the acquisition of an asset. The valuation of that asset is zero unless a premium is paid for the assignment of the lease, i.e., an amount exceeding the rental obligation.

Please telephone me immediately at 202/637-9144, if you disagree with any of the above statements.

Thank you very much.

Sincerely,

I concur
called

7-13-89

JUL 13 2 42 PM '89

FEDERAL TRADE COMMISSION
RECEIVED
JUL 13 1989